



Substitute House Bill No. 6831

Public Act No. 05-62

AN ACT PREVENTING BANK FRAUD AND IDENTITY THEFT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 36a-44 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2005*):

No provision of sections 36a-41 to 36a-45, inclusive, shall be construed to prohibit: (1) The preparation, examination, handling or maintenance of any financial records by any officer, employee or agent of a financial institution having custody of such records or the examination of such records by a certified public accountant engaged by the financial institution to perform an independent audit; (2) the examination of any financial records by, or the furnishing of financial records by a financial institution to any official, employee or agent of a supervisory agency solely for use in the exercise of the duties of such official, employee or agent; (3) the publication of data furnished from financial records relating to customers where such data does not contain information identifying any particular customer or account; (4) the making of reports or returns required under the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as from time to time amended; (5) disclosure of information permitted under the Uniform Commercial Code concerning the dishonor of any negotiable instrument; (6) the

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exchange, in the regular course of business, of credit information between a financial institution and other financial institutions or commercial enterprises, directly or through a consumer reporting agency; (7) disclosures to appropriate officials of federal, state or local governments upon suspected violations of the criminal law; (8) disclosures pursuant to a search warrant issued by a judge of the Superior Court or a judge trial referee under the provisions of section 54-33a; (9) disclosures concerning lawyers' clients' funds accounts made to the state-wide grievance committee pursuant to any rule adopted by the judges of the Superior Court; (10) disclosures to the purported payee or to any purported holder of a check, draft, money order or other item, whether or not such check, draft, money order or other item has been accepted by such payee or holder as payment, or to any financial institution purportedly involved in the collection process of a check, draft, money order or other item whether such check, draft, money order or other item would be paid if presented at the time of such disclosure; (11) any disclosure made in connection with a financial institution's attempts to preserve its rights or determine its liabilities with regard to any funds transfer or any check, draft, money order or other item drawn by or upon it or handled by it for collection or otherwise; (12) disclosures to an insurance company for purposes of risk assessment in connection with obtaining or maintaining a surety bond or fraud investigations; (13) any other disclosure required under applicable state or federal law or authorized to be made to any regulatory or law enforcement agency under applicable state or federal law; (14) disclosures made to a broker-dealer or investment advisor that is engaged in a contractual networking arrangement with the financial institution making the disclosure, provided, it is clearly and conspicuously disclosed to the customer that the information may be communicated among such entities and the customer is given a reasonable opportunity, before the time that the information is initially communicated, to direct that such information not be communicated among such entities; (15) disclosures made to a

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customer service representative who is employed by, or otherwise acts as an agent for, both the financial institution and a broker-dealer, or both the financial institution and an investment advisor, where such broker-dealer or investment advisor is engaged in a contractual networking arrangement; [and] (16) disclosures to other employees or agents of a broker-dealer or investment advisor engaged in a contractual networking arrangement in order to comply, or verify compliance, with applicable laws governing the activities of the financial institution, broker-dealer or investment advisor; (17) any disclosure of information to an information network for fraud prevention accessed by financial institutions and law enforcement authorities for the exclusive purpose of detecting or protecting against actual or potential fraud or unauthorized transactions; and (18) disclosures made to a victim of identity theft pursuant to the federal Fair Credit Reporting Act, 15 USC 1681g. For purposes of this section, the phrase "contractual networking arrangement" means a contractual arrangement between a financial institution and a broker-dealer registered in this state or an investment advisor registered in this state or that has filed a notice of exemption pursuant to subsection (e) of section 36b-6, where the broker-dealer or investment advisor offers securities related services to the customers of the financial institution.

Approved June 2, 2005